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DDA Registry

File Personnel 9

DDA 76-3429

12 July 1976

MEMORANDUM FOR: Executive Secretary

FROM : John F. Blake  
Deputy Director for Administration

Ben:

1. I submit the following package in connection with MCA-148, "Certain Aspects of Agency Personnel Practices."

2. MCA-148 arose during the life of the previous CIA Management Committee. As you know, Hank Knoche is now soliciting from members of the new Executive Advisory Group topics for consideration. I have not listed this particular study for early-on consideration, although the day will come when we should look at it. In the meantime, I believe the matter should be forwarded to you to hold in abeyance until such time as the Executive Advisory Group gets around to it.

/s/ John F. Blake

John F. Blake

Att DDA 76-3377, dtd 8 July 1976; Memo to DDCI fr [REDACTED]  
AD/OP Subject: Rpt of Rehired Annuitants and Employed  
Distribution: Retired Military Officers  
Original - Adse

1 - ER

1 - DDA Subject w/att 1 - MCA - 148

1 - DDA Chrono w/o att 1 - D/OP

1 - JFB Chrono w/o att

DDA:JFBBlake:er (12 July 1976)

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WHEN SEPARATED FROM ATTACHMENT

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DD/A Registry  
76-3377

Pers 76-1840

8 JUL 1976

MEMORANDUM FOR: Deputy Director of Central Intelligence

25X1A FROM : [REDACTED]  
Acting Director of Personnel

SUBJECT : Report of Rehired Annuitants and Employed  
Retired Military Officers

REFERENCE : Memo for Secretary, CIA Management Committee  
fr DDI, dtd 19 Apr 76, subject: Certain Aspects  
of Agency Personnel Practices

- 25X1A 1. Referent memorandum discusses current practices in the Agency for the employment of Agency annuitants and retired military officers in staff and contract status and proposes an Executive Advisory Group review of the practice in relation to the stated policies of the regulations. The policy of the Agency for the hire of retired Agency employees, other retired U.S. Government civilian employees and retired military officers is described in [REDACTED]. Their employment is limited to meet "... only those requirements that cannot be filled either by the internal reassignment or training of on-duty personnel, or by the recruitment of new employees who are qualified ... with the Agency." This provision for the employment of annuitants is consistent with the practice elsewhere in Government. Civil Service Commission regulations clearly state that an annuitant under the Civil Service Retirement System is not, because of his retired status, barred from employment in any position for which he is qualified. A person retired under another retirement law may be reemployed only as provided by the particular act under which he retired. (Federal Personnel Manual Chapter 300.)
2. Forwarded herewith are statistics relative to these two groups of employees, and including data on rehired annuitants of other Federal agencies, which may provide background data for the suggested study. Also attached is a name list of rehired annuitants, civilian and military, arranged by Directorate and Office or Division.

This document may be downgraded to  
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Secret Attachments.

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STATSPEC  
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As of 30 April 1976, the Office of Personnel records reflect 212 rehired Federal civilian annuitants on board and 105 retired military officers. Of the 212 civilian annuitants, 193 are retired Agency employees and 19 are retirees from other Federal agencies. In addition, there are 35 Agency retirees who are currently independent contractors working for [REDACTED]. It is apparently not possible for [REDACTED] to identify from among their 650 independent contracts those who may be retirees from other Federal agencies. The approval system for this group of employees is being restructured and the new forms will request specific information relative to annuitant status, Federal civilian or military annuitant.

3. As a matter of comparative interest, we have attached a copy of the Career Service chart for the gross data included in the FY 75 Annual Personnel Plan for these same two groups of annuitants. The Agency on-board report for 1 July 1974 reflected 154 rehired civilian annuitants of whom 141 were Agency retirees. The proposed on-board figure for 1 July 1975 was 170, of whom 139 were expected to be Agency annuitants. The report also showed 109 retired military officers on board, 55 as staff employees. A reduction to 87 was projected for 1 July 1975.

4. The analyses of the appropriateness of the utilization factors will necessarily have to be made by the individual Directorates in terms of the talents and abilities of the individuals concerned viz the component requirements and the availability of equally qualified personnel on board or possible of obtaining through the normal recruitment process. Several of the military officers reported herein have disability retirement and because of age and Agency career factors probably would not be a matter of concern in this type of review.

5. Insofar as salary levels are concerned, retired civilian annuitants on contract in employee or independent contractor status are limited to 90% of the current salary for the grade and step held at the time of retirement. For the contract employee the 90% is computed on the hourly rate; the independent contractor rate is computed on the total paid during a contract year. The annuity is offset against this salary. CSC regulations impose no percentage reduction or limitation on salary. Retired officers of a regular component of a uniformed service are subject to the dual pay provisions of Section 5532 of Title 5, U.S. Code which authorizes receipt of full pay of the position held, but reduces the retired pay to an annual rate equal to the first \$2,000, plus cost of living increases (as of 2 February 1976 this figure is \$3,859.89), plus

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one-half of the remainder, if any. This computation applies only to officers who have an employee status, staff or contract. The law does not apply to those officers who have an independent contractor relationship. The retired reserve officer is entitled by law to receive the full salary of his position without reduction of retirement pay regardless of his employment status.

25X1A

Attachments

Distribution:

- Orig & 6 - Adse w/atts
- 1 - ER w/atts
- 1 - DDA w/atts
- 1 - D/Pers w/atts
- 1 - OP/Review Staff

25X1A

OP/P&C/RS/[REDACTED]:lrm (24 Jun 76)  
Retyped:OD/Pers:bkf (7 Jul 76)

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CIVILIAN ANNUITANTS

SOURCE OF ANNUITANTS

Agency	193*
State Department	5
FBI	8
Secret Service	1
NSA	1
National Bureau of Standards	1
Naval Ordnance Lab	1
IRS	2
	<hr/>
	212

\* Does not include 35 Agency annuitants employed as Independent Contractors by [REDACTED]

STATSPEC

EMPLOYMENT STATUS

	<u>Contract Employee</u>	<u>Independent Contractor</u>	<u>Consultant</u>	<u>Total</u>
DCI	6	3	5	14
DDA	5	66	2	73
DDS&T	2	10	3	15
DDI	0	10	2	12
DDO	<u>13</u>	<u>85</u>	<u>0</u>	<u>93</u>
	26	174	12	212

PERIOD OF EMPLOYMENT

7	on board six years or more.
7	on board five years but less than six.
9	on board four years but less than five.
10	on board three years but less than four.
35	on board two years but less than three.
62	on board one year but less than two.
<u>82</u>	on board less than one year.
212	

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GS GRADES HELD BY CIVILIAN ANNUITANTS AT TIME OF RETIREMENT

	<u>18</u>	<u>17</u>	<u>16</u>	<u>15</u>	<u>14</u>	<u>13</u>	<u>12</u>	<u>11</u>	<u>10</u>	<u>09</u>	<u>08</u>	<u>07</u>	<u>06</u>	<u>05</u>	<u>Total</u>
DCI	3	2	2	3						1	1				12
DDA	7	1	2	15	14	22	5	2		2	2			1	73
DDS&T	4		2	4	1	2									13
DDI		2	2	2	3		3								12
DDO	1	3	7	27	31	12	7	2	2	3					<u>95</u>
															205

In Addition

DCI	FSO1, EP+5	2
DDA	---	0
DDS&T	P.L. 313, SPS-06	2
DDU	---	0
DDO		<u>3</u>

TOTAL

TOTAL

7  
212

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**SECRET**

30 April 1976

RETIRED MILITARY OFFICERSSERVICE FROM WHICH RETIRED

USAF	30
USAFR	19
USA	16
AUS	26
USCG	1
USN	10
USMC	2
USMCR	<u>1</u>

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EMPLOYMENT STATUS

	<u>Staff Employee</u>	<u>Contract Employee or Covert Assoc.</u>	<u>Independent Contractor</u>	<u>Total</u>
DCI	4	6	0	10
DDA	9	2	7	18
DDS&T	34	3	3	40
DDI	11	0	0	11
DDO	<u>10</u>	<u>16</u>	<u>0</u>	<u>26</u>
	68	27	10	105

PERIOD OF EMPLOYMENT

	<u>Staff</u>	<u>Contract</u>
On board six years or more.	49	20
On board five years but less than four.	1	2
On board four years but less than five.	3	5
On board three years but less than four.	1	4
On board two years but less than three.	3	1
On board one year but less than two.	6	3
On board less than one year.	<u>5</u>	<u>2</u>
	68	37

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RETIRED MILITARY OFFICERS  
GRADES HELD IN AGENCY EMPLOYMENT STATUS

	<u>GS 18</u>	<u>17</u>	<u>16</u>	<u>15</u>	<u>14</u>	<u>13</u>	<u>12</u>	<u>11</u>	<u>10</u>	<u>09</u>	<u>06</u>	<u>Total</u>
Staff Status	1	1	8	22	18	7	8	1	1	1	0	68
Contract Status	1	2	1	6	7	6	2	1	0	0	1	<u>27</u>
												95

Independent Contractors

OMS - No specific salary cited - contract status "based on general practices in VA and PHS.	2
OS - Correspondents paid on case basis.	5
Paid \$10,000 per year.	1
Paid \$138 per day.	1
Paid \$138 per day nte \$13,000(per annum).	<u>1</u>
	105

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Next 16 Page(s) In Document Exempt

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S E C R E T

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CONSULTANTS AND REEMPLOYED ANNUITANTS

Career Service	Consultants		Agency and Other Federal* Government Retirees		Military Retirees *		Total: Consultants and Annuitants	
	FY 74	FY 75	FY 74	FY 75	FY 74	FY 75	FY 74	FY 75
DDO	1	1	61	75	65	49	127	125
DDI	13	19	15	15	22	20	50	54
DDS&T	48	59	12	10	59	18	119	87
DDA	6	5	69	65	61	59	136	129
E	13	23	7	5	9	10	29	38
Total	81	107	164	170	216	156	461	433

\* Includes both Staff and Contract Personnel.

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S E C R E T

APP FY 75

SECRET (When Filled In)

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UNIT II  
Manpower Analysis  
Agency COMPONENT

NUMBER OF CONSULTANTS AND REEMPLOYED ANNUITANTS (CIVILIAN AND MILITARY)

FY	CONSULTANTS	REEMPLOYED ANNUITANTS					
		AGENCY RETIREES		OTHER FEDERAL CIVILIAN RETIREES		MILITARY RETIREES	
						OFFICER	ENLISTED
ON-BOARD 1 JULY 1974	APPOINTED	25	CONT. EMP. 16	CONT. EMP. 0	STAFF EMP. 55	STAFF EMP. 56	STAFF EMP. 111
	INDEPENDENT CONT.	56	INDEP. CONT. 115	INDEP. CONT. 23	CONT. EMP. 38	CONT. EMP. 49	CONT. EMP. 103
			CONSULTANT 10	CONSULTANT 0	INDEP. CONT. 16	INDEP. CONT. 2	INDEP. CONT. 156
	TOTAL	81			CONSULTANT 0	CONSULTANT 0	CONSULTANT 10
			TOTAL 141	TOTAL 23	TOTAL 109	TOTAL 107	TOTAL 380
PROPOSED ON-BOARD 1 JULY 1975	APPOINTED	34	CONT. EMP. 16	CONT. EMP. 3	STAFF EMP. 46	STAFF EMP. 48	STAFF EMP. 94
	INDEPENDENT CONT.	73	INDEP. CONT. 113	INDEP. CONT. 27	CONT. EMP. 25	CONT. EMP. 19	CONT. EMP. 63
			CONSULTANT 10	CONSULTANT 1	INDEP. CONT. 16	INDEP. CONT. 2	INDEP. CONT. 158
	TOTAL	107			CONSULTANT 0	CONSULTANT 0	CONSULTANT 12
			TOTAL 139	TOTAL 31	TOTAL 87	TOTAL 69	TOTAL 326

COMMENTS: PREPARE REPORT ON COMPONENT AND/OR DIRECTORATE BASIS. CAREER SERVICE WOULD BE APPLICABLE ONLY FOR THE STAFF EMPLOYEES.  
REFERENCE: RETIRED MILITARY STAFF EMPLOYEE DATA IS PROVIDED BY MEMORANDUM FROM OP/TRB, BY REGULAR SEMI-ANNUAL REPORT.  
CONSULTANT DATA AND REPORT OF RETIRED REGULAR MILITARY OFFICERS IN CONTRACT STATUS WILL BE PROVIDED BY MEMORANDUM FROM OP/CPB.  
RETIRED RESERVE MILITARY OFFICER AND RETIRED ENLISTED PERSONNEL IN CONTRACT STATUS ARE NOT CODED IN THE COMPUTER AND THIS INFORMATION SHOULD BE PREPARED AS AVAILABLE IN COMPONENT RECORDS.

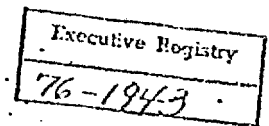
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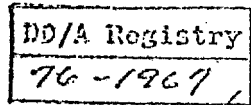
APP FY 74/75

ADMINISTRATIVE - INTERNAL USE ONLY

Approved For Release 2001/06/09 : CIA-RDP79-00498A000500070004-5



19 April 1976



PERS 76-1608

MEMORANDUM FOR: Secretary, CIA Management Committee

FROM : Edward W. Proctor  
Deputy Director for Intelligence

SUBJECT : Certain Aspects of Agency Personnel Practices

1. There are two aspects of Agency personnel practices about which I have been uneasy for some time. I believe this would be as good a time as any for the Management Committee to commission an examination of these practices with a view to determining whether they are consistent with existing Agency policy, and whether it is the practice or the policy, or both, which requires revision.

2. The first practice pertains to the Agency's use of retired military officers either as staff employees or under military reserve appointments. This practice bothers me for two reasons. First, I am reluctant to see so-called "double dippers" working with the Agency. Second, I suspect that the Agency is not complying with the requirement that we use reserve appointees only when they have a unique talent or skill which is not present within the Agency or cannot be recruited from outside. Moreover, the imbalance in the compensation given to some retired military officers working with the Agency is an inequity which cannot but have an adverse affect upon regular staff employees.

3. The second practice which bothers me is the extent to which we are using rehired annuitants. This practice, understandably, got somewhat out of hand when we tried to cope

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ADMINISTRATIVE - INTERNAL USE ONLY

with FOIA and the tumult of the last 16 months of investigations. Now that the investigations are about concluded, I think it would be a good time to review this practice throughout the Agency. It bothers me on several counts. First, it is an obvious ploy to compensate for the reductions over the past few years in staff strength. Second, the task to which a good number of these annuitants have been appointed seems to me to be marginal. Finally, there seems to be a strong coincidence in the extent to which rehired annuitants are, for the most part, former employees who occupied senior positions within the Agency.

4. I would like this memorandum to be discussed at a future meeting of the Management Committee.

  
EDWARD W. PROCTOR

STATINTL

# EXECUTIVE SECRETARIAT

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TO:

		ACTION	INFO	DATE	INITIAL
1	DCI	X			
2	DDCI	X			
3	S/MC	X			
4	DDS&T	X			
5	DDI	X			
6	DDA	X			
7	DDO	X			
8	D/DCI/IC		X		
9	D/DCI/NIO		X		
10	GC	X			
11	LC		X		
12	IG	X			
13	Compt	X			
14	D/Pers				
15	D/S				
16	DTR				
17	Asst/DCI				
18	AO/DCI				
19	D/EEG		X		
20					
21					
22					

SUSPENSE \_\_\_\_\_ Date \_\_\_\_\_

Remarks:

For discussion at a future Management Committee Meeting.

STATINTL

NCA-143

B. C. EVANS  
Executive Secretary

19 Apr 76

Date

3637 (1-75)

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM			
UNCLASSIFIED		CONFIDENTIAL	
		SECRET	
<b>OFFICIAL ROUTING SLIP</b>			
TO	NAME AND ADDRESS	DATE	INITIALS
1	Director of Personnel		<i>AS</i>
2	Attn: Fred	22 APR 1976	<i>AS</i>
	Room 5E-58		
3	Headquarters		
4			
5			
6			
	ACTION	DIRECT REPLY	PREPARE REPLY
	APPROVAL	DISPATCH	RECOMMENDATION
	COMMENT	FILE	RETURN
	CONCURRENCE	INFORMATION	SIGNATURE
<b>Remarks:</b> <p>Reference: MCA-148</p> <p>Fred:</p> <p>Let's get the figures and statistics, plus your position, lined up. Proctor has two good points.</p> <p>Att: DDA 76-1967</p> <p style="text-align: right;"><i>- CC to DPA - cc sent to CPO</i></p>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
John F. Blake			4/21/76
Deputy Director for Administration			
UNCLASSIFIED		CONFIDENTIAL	SECRET

STATINTL

*Retrieved Annals*